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July 11, 2006

Commissioner for Patents
U.S. Patent and Trademark Office
Alexandria, Virginia 22313

Re: Application No. 09/844,523

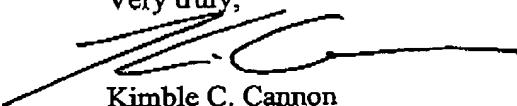
Dear Sirs,

Please find attached a reply to the December 14, 2005 office action in the referenced patent application. This reply was timely filed with the USPTO on March 13, 2006 as shown on the accompanying Express Mail receipt. I am both an inventor and counsel for the other inventors in this matter.

I am sending this because I have received no confirmation that this reply was included for consideration with the referenced patent application. In April I spoke with a USPTO employee named Joanne Hodge who indicated that I should send this fax attaching this information if I did not hear anything from the USPTO for a month.

Please feel free to contact me at (703) 609-9281 with any information.

Very truly,


Kimble C. Cannon

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07/11/2006 8:07:40 PM [Eastern Daylight Time] SVR:USPTO-EXRF-3/10 DMS:2738300 CSID:202 772 9330 DURATION (mm:ss):04:06

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FROM: (please print) PHONE: () **551-3708**

KIMBLE CANON
1164 OLD STURGEON CT.
MCLEAN, VA 22102

ATTN: C/O **Yehdega Ketta, Examiner**

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Kimble Charles Cannon
1164 Old Stage Court
McLean, VA 22102

March 10, 2006

Commissioner for Patents
United States Patent and Trademark Office
P.O. Box 1450
Alexandria, Virginia 22313-1450
c/o Yehdega Retta, Examiner
(571) 272-6723

Re: Application No. 09/844,523

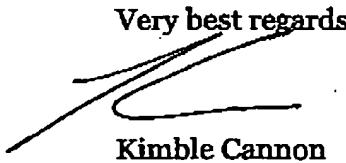
Dear Ms. Retta,

Enclosed please find our reply to the December 14, 2005 Office Action in the above referenced matter. Please also note that we, the three inventors, are proceeding *pro se* in this matter. I have made every effort to keep our reply brief. However, as we are two economists and a securities lawyer, I hope you will forgive any errors as to form.

We are very hopeful to secure some level of patent protection for our business process. Essentially, the RateSlider™ allows users to select how frequently they see full-screen interstitial ads in exchange for receiving discounted service. It is a novel idea that we have had some success selling in Asia – China Telecom has acquired software we designed based on the concept. However, without patent protection we are reluctant to invest more in the idea.

Please feel free to contact me with any questions. I am currently serving as an attorney with the U.S. Securities and Exchange Commission. My card is enclosed and you can reach me at either (202) 551-4417 or (202) 551-2708. Also, correspondence should be directed to me at 1164 Old Stage Court, McLean, VA 22102 (rather than to my old firm, Wilmer Hale).

Very best regards,


Kimble Cannon

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Applicaton No.	Filing Date	First Inventor	Attorney Docket No.	Confirmation No.
09/844,523	04/27/2001	George Dewey Cannon	10423-0006-999	4156

Examiner Retta, Yehdega

Date: 3/10/2006

**SYSTEM AND METHOD FOR
DETERMINING SUITABLE BREAKS
FOR INSERTING CONTENT**

REPLY AND AMENDMENT

Comes now the inventors of the instant patent application, *pro se*, in reply to the Office action mailed December 14, 2005.

The Office communication rejected claims 1-12 under 35 U.S. C. 102(b) as being anticipated by Slotznick (US 6011537). Slotznick is readily distinguished, however, from the current application, for the following reasons:

- First, Slotznick anticipates only “secondary information displayed which is simultaneously displayed with the primary information”. (Slotznick at 4-65) This is why Slotznick concerns only content that is limited to “thumbnail, keyhole or banner image[s]”. (Slotznick at 4-66) These kinds of secondary content are displayed with primary content because they appear on the screen simultaneously. This is significant because the types of content being described by Slotznick are commonplace on the Internet. In contrast, the Cannon invention concerns the “insertion of supplemental content between said first content and said second content”. (Cannon, Claim 1, at 49-7). This interstitial display of full-screen

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content necessitates the use of the novel processes described in the Cannon application. That is, it requires processes that recognize where the first website ends and the second website begins such that the new or "secondary" content can be displayed during the interstitial space. These processes were novel when this patent application was filed in April 2001 and they remain novel today. That is, the business model envisioned by this patent – the full screen, interstitial display of television-like advertisements at a frequency chosen by the subscriber – is even today not being employed by any other company.

- Second, Slotnick is intended to be "implemented in an Internet environment wherein the primary and secondary information are retrieved from one or more remote websites." (Slotnick at 4-63) The instant invention, in contrast, does not involve the transmission of information from websites but rather relies on a constant and dedicated stream of communication between a central content server and a client-side application installed on the user's computer. This is reflected in Claim 11. Specifically, the invention envisions "[a]n apparatus for determining when to insert supplemental content between requesting content". (Cannon, Claim 11, at 50-1) The invention involves a client-side application installed by a computer user wishing to earn discounts on internet service. This client side application allows the computer user to select the frequency of the content to be displayed. An example of the resulting graphical user interface is attached as Exhibit 1 hereto. This interface illustrates the meaning of "requested content" in Claim 11. Specifically, the computer user "requests" content be displayed by taking two actions. First, the computer user selects an advertisement display

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frequency using the interface, known as the RateSlider™. Second, the user visits multiple website on the internet. When the user has gone to the number of different websites on the internet corresponding to the frequency rate that the user selected using the RateSlider™ interface then, and only then, is the a supplemental (that is, advertising) content sent to the user's computer and displayed. The description in Claim 11 regarding the need to recognize whether first requested content is different from second requested content is critical to this process of determining that the user has visited multiple *different* websites. This concept is completely absent from, and is not anticipated by, Slotznick.

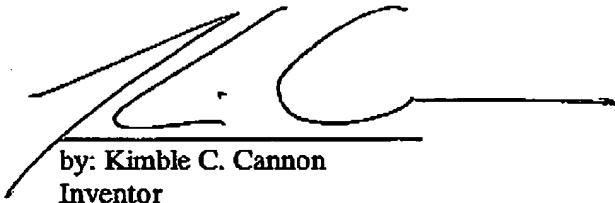
Claim 12 was rejected under 35 U.S.C. 101 because the invention was directed to non-statutory subject matter. Claim 12 is hereby amended to clarify that it does in fact relate to statutory subject matter as follows:

12. A system for controlling the interstitial display of full-screen advertisements, comprising a frequency control device represented on a user's computer screen as a graphical user interface displaying a sliding range of display frequencies, which frequency control device communicates with an advertisement database located on an advertising server, where said frequency control device allows the user to control the frequency, in terms of requesting that an advertisement be displayed once per a selected number of different Web sites visited, and wherein said computer user is rewarded for the amount of advertisements displayed on said computer.

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Very truly,

George D. Cannon
Kimble C. Cannon
William M. Tracy



A handwritten signature in black ink, appearing to read "KCC". A horizontal line is drawn beneath the signature, and the text "by: Kimble C. Cannon" is written above the line, with "Inventor" written below it.

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Exhibit 1
RateSlider Interface

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